



DIVISION OF PUBLIC and BEHAVIORAL HEALTH Policy

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1.0 POLICY

The Division of Public and Behavioral Health (DPBH), Medical Marijuana Program (MMP) will accept, process, and approve or deny both applications and registration certificates for Medical Marijuana Establishments (MME) pursuant to the following authorities, among others.

Pursuant to NRS 453A.322 subsection 2:

A person who wishes to operate a medical marijuana establishment must submit to the Division an application on a form prescribed by the Division.

Pursuant to NRS 453A.116, an MME is defined thusly:

Medical marijuana establishment” means:

1. An independent testing laboratory;
2. A cultivation facility;
3. A facility for the production of edible marijuana products or marijuana-infused products;
4. A medical marijuana dispensary; or
5. A business that has registered with the Division and paid the requisite fees to act as more than one of the types of businesses listed in subsections 2, 3, and 4.

Pursuant to NAC 453A.320:

1. The Division may, at any time it determines an inspection is needed, conduct an investigation into the premises, facilities, qualifications of personnel, methods of operation, policies and purposes of any medical marijuana establishment and of any person proposing to engage in the operation of a medical marijuana establishment. An inspection of a facility may include, without limitation, investigation of standards for safety from fire on behalf of the Division by the local fire protection agency. If a local fire protection agency is not available, the State Fire Marshal may conduct the inspection after the medical marijuana establishment pays the appropriate fee to the State Fire Marshal for such inspection.
2. The Division will not issue a medical marijuana establishment registration certificate until the Division completes an inspection of the medical marijuana establishment. Such an inspection may require more than one visit to the medical marijuana establishment.
3. In addition to complying with the provisions of chapter 372A of NRS and chapter 372A of NAC governing the imposition of an excise tax on medical marijuana establishments, a medical marijuana establishment may not operate until it has been issued a medical marijuana establishment registration certificate from the Division.
4. The Division will not issue a medical marijuana establishment registration certificate until it has received a satisfactory report of full compliance with and completion of all



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applicable public safety inspections required by state and local jurisdictions, including, without limitation, fire, building, health and air quality inspections, except as otherwise provided in subsection 3 of NAC 453A.426.

Pursuant to NAC 453A.322:

1. Submission of an application for a medical marijuana establishment registration certificate constitutes permission for entry to and reasonable inspection of the medical marijuana establishment by the Division, with or without notice. An inspector conducting an inspection pursuant to this section does not need to be accompanied during the inspection.
2. The Division may, upon receipt of a complaint against a medical marijuana establishment, except for a complaint concerning the cost of services, a complaint concerning the efficacy of medical marijuana or a complaint related to customer service issues, conduct an investigation during the operating hours of the medical marijuana establishment, with or without notice, into the premises, facilities, qualifications of personnel, methods of operation, policies, procedures and records of that medical marijuana establishment or any other medical marijuana establishment which may have information pertinent to the complaint.
3. The Division may enter and inspect any building or premises at any time, with or without notice, to:
 - (a) Secure compliance with any provision of this chapter or chapter 453A of NRS;
 - (b) Prevent a violation of any provision of this chapter or chapter 453A of NRS; or
 - (c) Conduct an unannounced inspection of a medical marijuana establishment in response to an allegation of noncompliance with this chapter or chapter 453A of NRS.
4. The Division will enter and inspect at least annually, with or without notice, each building or the premises of a medical marijuana establishment to ensure compliance with the standards for health and sanitation.
5. The Division will enter and inspect, with or without notice, any building or premises operated by a medical marijuana establishment within 72 hours after the Division is notified that the medical marijuana establishment is operating without a medical marijuana establishment registration certificate.

2.0 PURPOSE

The purpose of this document is to delineate the policies and procedures by which the Division will regulate the interoperability of Singularly Owned, Co-located (SOCL) Medical Marijuana Establishments (MME) by establishing areas of overlap and separation for the combined business operations.



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3.0 SCOPE

This policy applies to DPBH MME inspectors, and all MME ownership groups to whom a MME registration certificate has been issued, and their establishment agents.

4.0 PROCEDURES

4.1 Definitions

- 4.1.1 Medical Marijuana Establishment (MME) has the meaning ascribed to it in NRS 453A.116
- 4.1.2 Singularly Owned, Co-located (SOCL) MME/Combined MMEs are MMEs which were issued provisional Medical Marijuana Establishment Registration Certificates to operate as a cultivation facility, a facility for the production of edible marijuana products or marijuana-infused products and/or medical marijuana dispensary located on the same real estate parcel, and with identical ownership parties.
 - 4.1.2.1 The terms “SOCL MME” and “Combined MME” are ascribed the same meaning and may be used interchangeably. Both “SOCL MME” and “Combined MME” have the meaning ascribed in NRS 453A.116(5).
- 4.1.3 Component MME refers to the individual MMEs which are qualified and registered to combine operations with other individual MMEs
- 4.1.4 Combined MME refers collectively to a group of SOCL MMEs sharing a single real estate parcel
 - 4.1.4.1 Component MMEs within a Combined MME retain their individual legal status as separate entities
 - 4.1.4.2 Combined MMEs are not issued a separate license which supersedes the individual Medical Marijuana Establishment certificates issued to the component MMEs
- 4.1.5 Combined and Separate Operations of SOCL MMEs
 - 4.1.5.1 Combined Operations are areas of operations which may be conducted across MME lines as though the combined MMEs are a single organization.



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4.1.5.2 Separate Operations are areas of operations in which component MMEs within a combined MME must maintain legal and operational separation from all other component MMEs within the combined MME.

4.1.6 A Growing Unit is an area within a cultivation MME which is serviced by all building facilities, technology, and has all other features specified in the MME's application to perform growing operations at all stages of growth. A cultivator must show the ability to nourish clones/germinate seedlings, attain vegetative growth, flower plants to maturity, dry and cure cut plants, trim and package finished plants, and store finished marijuana product in compliance with all regulations. A Growing Unit may be single growing tables, enclosed pods, or rooms.

4.2 SOCL/Combined MME Operations

4.2.1 Facilities

4.2.1.1 Combined Secure Inventory Storage
Component MMEs may share a single, secured storage area, however the inventory from each Component MME must be securely segregated within the storage space apart from that of other Component MMEs.

4.2.1.2 Building infrastructure and security systems may be shared and combined within appropriate control systems.

4.2.1.3 Combined MME facilities may include common entrances, exits, break room, locker rooms, loading docks, and other areas as are expedient for business and appropriate for the site as determined and approved by DPBH inspectors.

4.2.2 Inspections

4.2.2.1 All Component MMEs within a Combined MME will be inspected prior to commencing operations as the DPBH determines appropriate, and each Component MME shall be inspected at least once prior to issuance of a permanent registration certificate.



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- 4.2.2.2 All Component MMEs within a Combined MME must be prepared to commence operations at the time of the pre-opening inspection.
- 4.2.2.3 In order to gain approval, actual operation and/or intent to immediately commence operations is not required. Each MME must simply demonstrate that all construction, equipment, and policies and procedures have been completed and obtained, have been inspected by the local jurisdiction as required, and all portions of the Combined MME are prepared to commence operations.
- 4.2.2.4 All walls, ceilings, floors, electrical cabling, plumbing, HVAC ducting, general (non-cultivation specific) lighting for each entire building must be completed as specified in the floorplan submitted to the Division in the MME application, at a completion level sufficient to obtain a Certificate of Occupancy as issued by the local jurisdiction at the time of the pre-opening inspection.
- 4.2.2.5 The final registration certificate for a Combined MME shall specify which establishment types are registered to operate at that location.
- 4.2.2.6 Phased Implementations
- 4.2.2.6.1 Component MMEs may be opened in phases.
- 4.2.2.6.1.1 To be considered “ready to commence operations,” a cultivation Component MME must demonstrate the lights, plumbing, HVAC, humidity, CO₂, and all other growing technical facilities, along with their related control systems, for at least one growing unit.
- 4.2.2.6.1.2 To be considered “ready to commence operations,” a production Component MME must demonstrate the proper, safe, installation of all extraction, cooking, or other equipment, along with the plumbing, ventilation, solvent lines, electricity, electrical lines, refrigerators, and all other production equipment.



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4.2.2.6.2 Once an MME facility has been inspected and received its Medical Marijuana Establishment Registration Certificate, operations within a previously inspected and approved space may be expanded to areas designated for the intended purpose to the level described in their application without further inspection or approval. However, the Division retains the right to return for inspections as often as necessary, if the MME commences operations in phases.

4.2.3 Combined Operations of SOCL/Combined MMEs

- 4.2.3.1 Employee inter-MME transit will be permitted if the agent in transit is registered and carries the appropriate agent registration cards for all component MMEs to be entered.
- 4.2.3.2 Employees may perform work functions for any related Component MME during their work shift if the agent is registered and carries the appropriate agent registration cards for all component MMEs assigning such work.
- 4.2.3.3 Equipment not specific to the operation of one Component MME, including vehicles, may be shared among all Component MMEs.
- 4.2.3.4 Equipment which is specific to the scope of operation performed by one MME, such as extraction devices which are specifically used by a production unit, or cultivation lights which are specifically used by a cultivation unit, may not be shared between Component MMEs.

4.2.4 Separate Operations of the Component MMEs

Each Component MME within a Combined MME must:

- 4.2.4.1 Be individually licensed and approved to operate as a business by all relevant jurisdictions and authorities, distinct from all other MMEs operating on the same real estate parcel unless this practice is prohibited by the jurisdiction in which the Combined MME is located.
- 4.2.4.2 Be able to present financial records complying with current GAAP (Generally Accepted Accounting Principles) separately from all other Component MMEs operating on the same parcel.



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4.2.4.3 File all financial disclosures and tax documents separately from all other MMEs within the Combined MME.

4.2.5 Exceptions to this Policy

4.2.5.1 Exceptions to conducting a single pre-opening inspection on all Component MMEs within a Combined MME may be available.

4.2.5.2 Written requests for exception, containing detailed justification for the exception to this policy, must be mailed to:

Medical Marijuana Program, ATTN: Program Manager
4150 Technology Way, Suite 106
Carson City, NV 89706

4.2.5.3 Exceptions may be granted at DPBH's discretion for extraordinary circumstances beyond the control of a Component MME's management or ownership, but the DPBH's policy is that financial outlays, and/or vendor/supplier difficulties associated with readying all Component MMEs for inspection, will not be considered extraordinary circumstances.

4.2.5.4 If a request to an exception is granted, and the pre-opening inspection of one Component MME is successful, the DPBH may permit the Component MME which passed the inspection to operate under its registration certificate for a period of time approved by the DPBH. The registration certificate shall reflect that not all Components have been registered. A final registration certificate will only be issued to any Combined MME after all Component MMEs have passed opening inspections, paid fees, and satisfied all other state and local laws, regulations, and ordinances.